

“GREENBELT”

Tennessee's
Agricultural, Forest, and Open Space
Land Act of 1974



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Montgomery Bell State Park - October 9, 2008



Greenbelt Program

- tax law enacted by the state legislature in 1974
- designed to:
 - encourage continued production of valuable food and fiber;
 - prevent loss of family farms due to higher taxes based on speculation values rather than use values;
 - provide relief from urban sprawl and green spaces for enjoyment of people who would not normally have access to such areas

Greenbelt Program

Three (3) types of land eligible for enrollment:

- **Agricultural Land**
- **Forest Land**
- **Open Space Land**

Greenbelt Program

Agricultural Land

- tract of at least fifteen (15) acres constituting a farm unit **engaged** in the production or growing of crops, plants, animals, nursery, or floral products.
- a ten (10) acre noncontiguous tract can qualify if the same owner has already qualified a fifteen (15) acre tract and both tracts constitute a farm unit.
- if tract became less than 15 acres because of eminent domain or other involuntary reason, it can remain in Greenbelt under current ownership
- must actually be **engaged** in agricultural activity

Greenbelt Program

Agricultural Land cont.

Property can also qualify, if:

- owner, owner's spouse , or owner's parents farmed the property for at least 25 years

and

- owner continues to live on the property

and

- the property is not currently used for any purpose that is inconsistent with farming
- farming income / activity rule does not apply

Greenbelt Program

Forest Land

- tract of at least 15 acres
- engaged in growing trees under a sound program of sustained yield management
- or
- having tree growth in such quantity and quality as to be managed like a forest
- requires forestry management plan

Greenbelt Program

Open Space Land

- tract of at least 3 acres
- maintained in an open or natural condition for public use and enjoyment
- must be included within a plan for preservation approved by state or local planning agencies

or

- owner must execute a perpetual open space easement

Greenbelt Program

General Limitations

- law limits the amount of land eligible for enrollment to 1500 acres per owner per county
- individuals who own property with others or as part of a corporation are credited with their proportionate share of the acreage towards the 1500 acre cap
- all property enrolled in program is subject to “rollback”, when it no longer qualifies for Greenbelt status

Greenbelt Program

Present Use Value

In Greenbelt, the value of land is based on its current use as agricultural, forest, or open space land rather than current market value for similar properties.

Use value is determined by the Comptroller's Division of Property Assessments using a statutory formula that blends farm income and market data.

Greenbelt Program

Rollback Assessment

- repayment of the taxes saved while the land was classified as greenbelt
- recapture period is 3 years for Agricultural and Forest Land, and 5 years for Open Space Land
- rollback assessment is payable from the date the Assessor provides the owner with written notice, but is not delinquent until 1 March of the following year.

Greenbelt Program

Reasons for Rollback Assessment

- property no longer qualifies for Greenbelt
- owner requests in writing that the classification be withdrawn
- the property is being developed by means of a recorded subdivision plat or unrecorded plan of development
- the property has been sold and is being converted to a use other than Greenbelt

Greenbelt Program

Application Procedures

- fill out application at Assessor of Property's office
- have it approved and signed by Assessor of Property
- get form notarized
- record the completed application with the Register of Deeds office
- enrollment must take place prior to 1 March, to be effective for the current tax year
- new owners must re-apply to continue in Greenbelt

Greenbelt Program

Further Information

Contact your county's Assessor of Property

Tennessee Code Annotated (TCA),

Title 67, Chapter 5, Part 10

- contains all requirements and rules
- available online @ www.michie.com/tennessee

Questions